



# ***Surface Shipbuilding***

## ***Surface Navy Association***

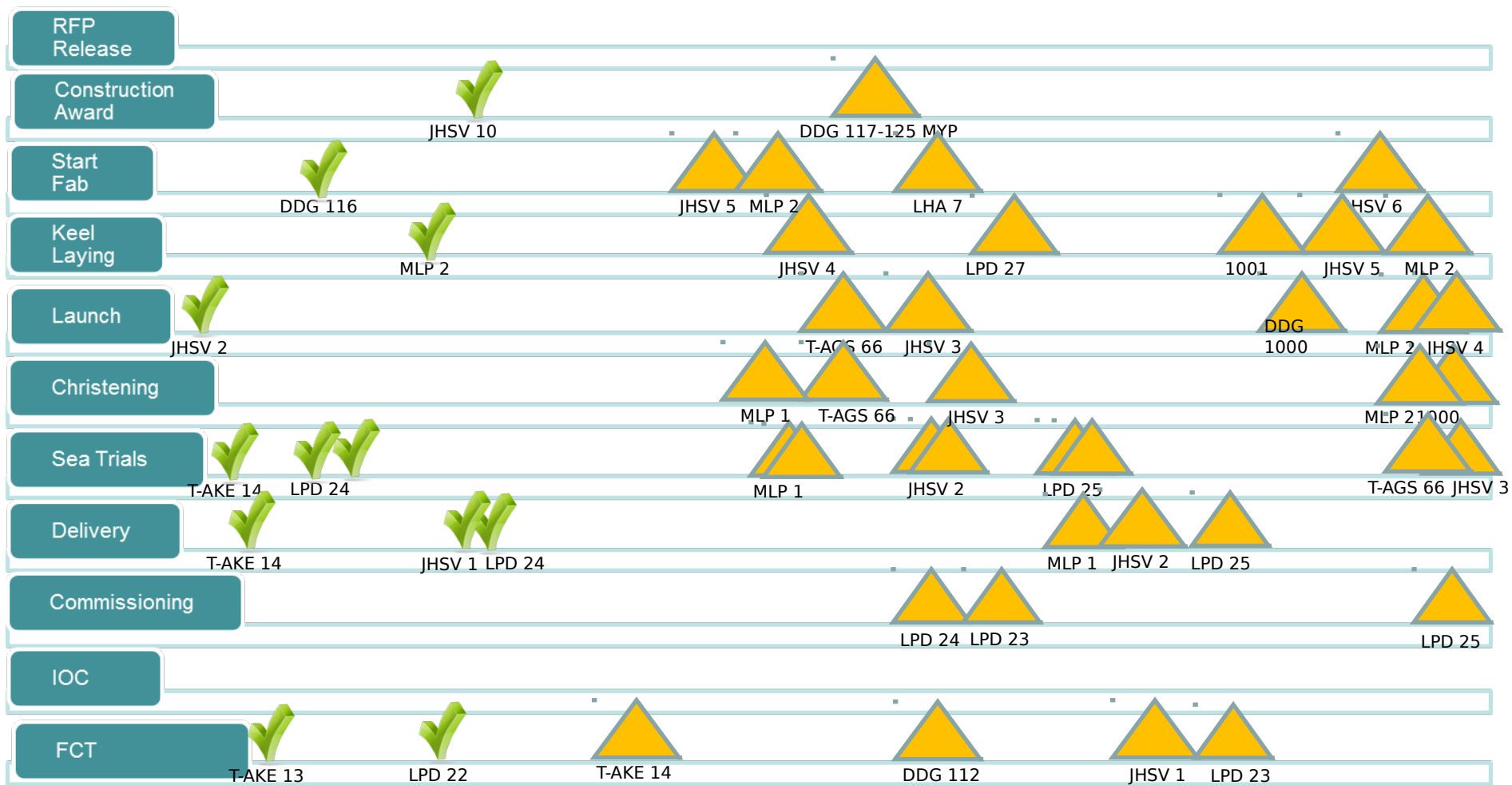
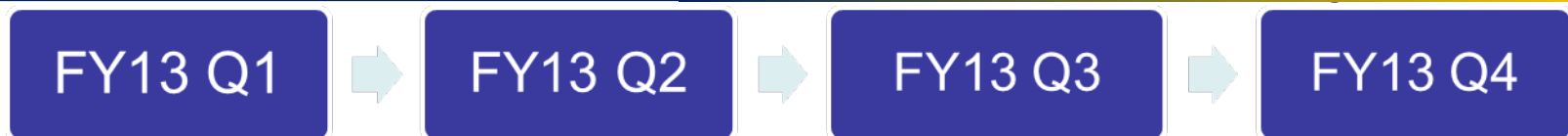
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Program Executive Officer,  
Ships  
January 17, 2013**

# PEO Ships Shipbuilding Workload

<u>Under Contract &amp; Building</u>	<u>To Go (FY 13)</u>	<u>To Deliver (FY13)</u>	<u>Workload by FY14</u>
4 DDG 51	9 (or 10?) DDG 51 (MYP)	----	13 (or 14?)
3 DDG 1000	----	----	3
1 Deckhouses	1 Deckhouse	---	2
3 LPD	----	1	2
2 LHA	----	----	2
9 JHSV	----	1	8
3 MLP	----	1	2
9 SSC	----	----	9
1 T-AGS	----	----	1
2 AGOR	----	----	2
37	10 (or 11?)	3	44 (or 45?)

**Delivered Seven Surface Ships in 2012**

# FY 2013 Milestones



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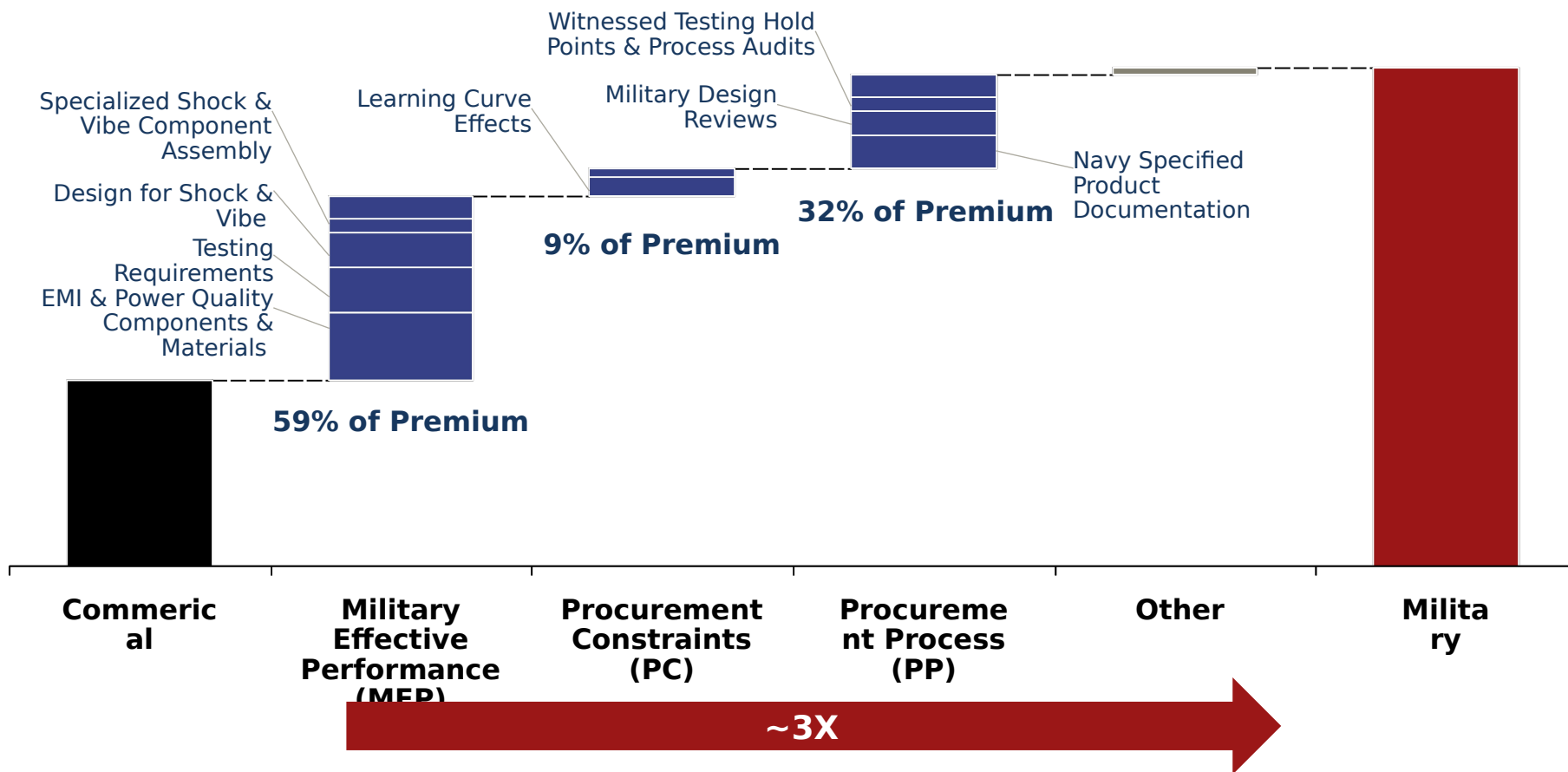
- ***Cross Program Integration and Commonality***

- **PEO Ships Focus on Common Processes**
  - **Common GFE management**
  - **Common Pre-Comm Crew Training**
  - **Future Common Test and Evaluation**
- **Cross-PEO Commonality Initiatives**
  - **Material Procurements**
  - **Industrial Process Improvements**
  - **Equipment Commonality**
  - **Design Translation Commonality**

# Military Price Premium – Generators

*Ships*

## Commercial to Military Cost Cross Walk

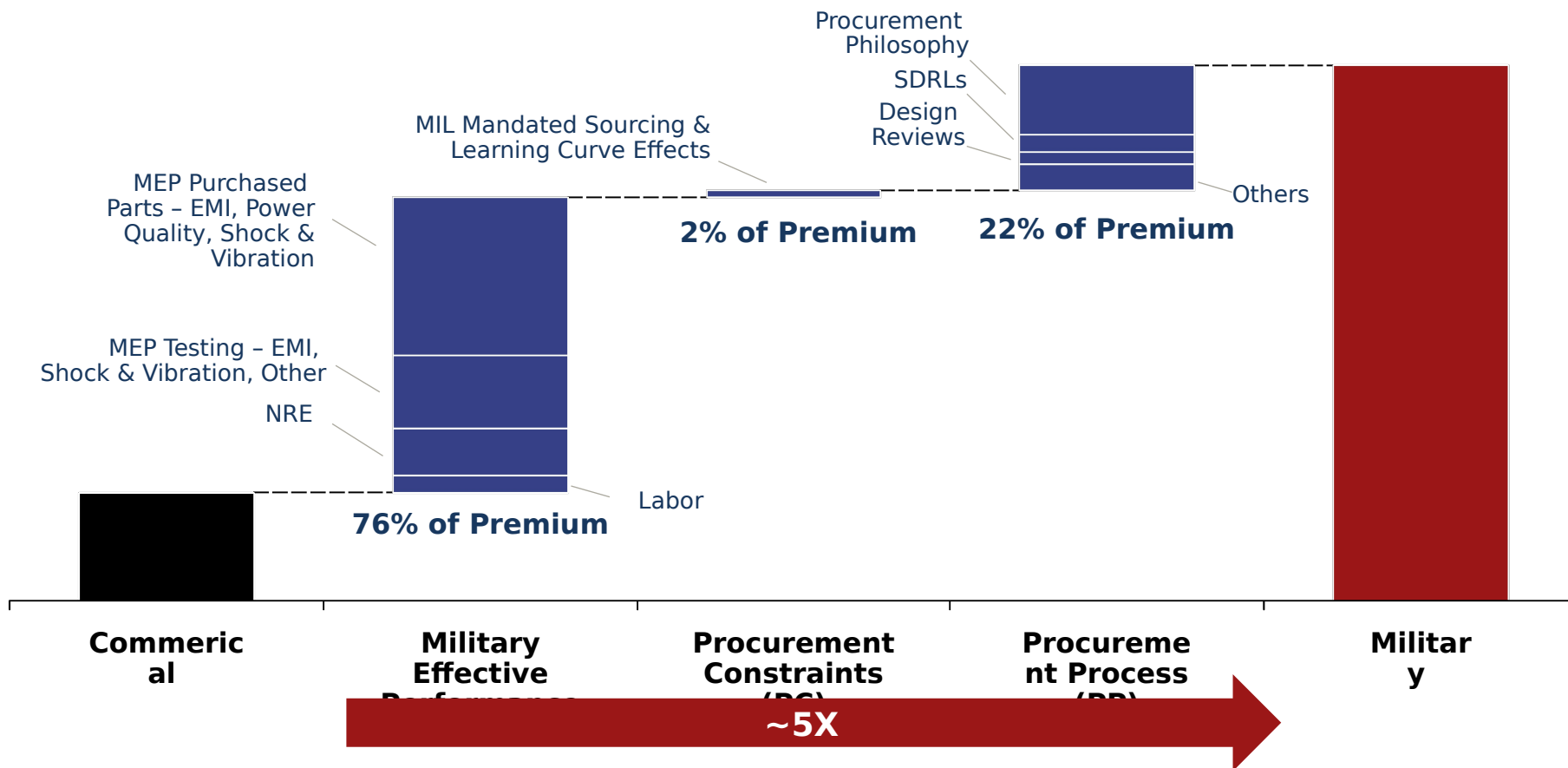


**MEP and PP cause the price premium for generators**

# Military Price Premium – Electric Drives

*Ships*

## Commercial to Military Cost Cross Walk



**MEP and to a lesser extent PP cause the price premium for motors**

## ✓ ***Condition Based Maintenance (CBM)***

- “Fix before break”

## • ***Re-define Role of In-Service Engineering Agent (ISEA)***

- Readiness, Logistics and Training in Addition to Engineering

## ✓ – ***Evolve into ISSA (In-Service Sustainment Agent)***

## • ***Economics of Shipbuilding***

- “Whole of industry” view by Navy

## • ***Reform Ship Design Process***

- **Modularity at all levels, to include the ship**
- **Manage Pace of Change (i.e. Cycle Time)**
  - **Align Budget Process to Meet Needed Cycle Times, Not Vice Versa**
  - **ARCI Good Example of a Successful Cycle-Time Management Process**

# Shipbuilding Focus Areas

*Ships*

## Affordability

- ✓ • Focus on cost and execution performance and production
- ✓ • Focus on mature design plans before start of construction
- ✓ • Focus on long-term contracts (MYP, Block Buy)
- ✓ • Focus on fixed-price type contracts
- ✓ • Active Navy management of material (GFE, CFE)
- ✓ • Fee aligned with risk

## Wholeness

- Balanced approach to readiness across the spectrum of warfighting mission capabilities
- New ships and shipboard systems must arrive on the doorstep ready to operate
- Quality

# Questions?